



**Date:** February 15, 2005  
**To:** Gerald R. Miller, City Manager /s/  
**From:** Michael A. Killebrew, Director of Financial Management /s/  
**For:** Budget Oversight Committee  
**Subject:** **Responses to January 18, 2005 Budget Oversight Committee Requests for Information**

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The first Budget Oversight Committee of fiscal year 2005 meeting was held on January 18, 2005. The following information was developed in response to the Committees' questions during this meeting.

***1) Trend analysis on the Tidelands and Oil Fund***

A report concerning both these funds will be submitted to the City Council in March.

***2) PERS Update***

PERS reported a 16 percent return on investment for fiscal year 2004, compared to its original projection of 7.75 percent. PERS fiscal year 2004 earnings will positively impact the City's fiscal year 2007 rates. The investment gains are already factored in the City's FY 07 projections.

Based on the second quarter estimates for fiscal year 2005, PERS estimates another sizable investment gain, compared to its original projection of 7.75 percent. As a result, Financial Management has tentatively lowered FY 08 PERS projections.

***3) Downtown parking rates compared to other City locations.***

The City is broken into 33 parking zones. The attachment provided lists each zone with its correlating hourly rate. On September 7, 2004, City Council approved a revenue enhancement to increase parking rates in the Downtown area to \$1 per hour and \$2 per hour in the Pike area, while rates in Belmont Shore remain unchanged.

The current beach parking rates (except for Marina Green and Shoreline Park) have been in effect since 1995. In May 2002 through November 2003, rates were decreased to \$0.50 in all beach lots (excluding Marina Green) to encourage use of the parking lots and beaches. At the end of the pilot period, the \$1 per hour rate was reinstated due to lower than expected revenues. Rates in the Marina Green and Shoreline Park lots were increased to \$2 per hour by City Council on September 7, 2004.

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Should you require any further information, please so not hesitate to contact me.

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cc: Mayor and Members of the City Council  
Gary L. Burroughs, City Auditor  
Christine F. Shippey, Assistant City Manager  
Reginald I. Harrison, Deputy City Manager  
Suzanne R. Mason, Deputy City Manager